

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2010-236-C

In Re:)	
Application of Access Communications,)	
LLC to Provide Resold Interexchange)	SETTLEMENT AGREEMENT
And Local Exchange Telecommunications)		
Services Throughout South Carolina)	

This Settlement Agreement ("Settlement Agreement") is made by and among the Office of Regulatory Staff ("ORS") and Access Communications, LLC ("Access" or "the Company") (collectively referred to as the "Parties" or sometimes individually as "Party");

WHEREAS, on July 7, 2010, Access filed its Application requesting: (i) a Certificate of Public Convenience and Necessity be granted authorizing the Company to provide resold local exchange and interexchange telecommunications services throughout the State of South Carolina; (ii) alternative regulation of its interexchange business services consistent with Orders 95-1734 and 96-55 in Docket No. 95-661-C as modified by Order No. 2001-997 in Docket No. 2000-407-C; (iii) flexible regulation for its local exchange telecommunications services consistent with Order No. 98-165 in Docket No. 97-467-C; (iv) waiver of certain regulations of the Public Service Commission of South Carolina ("Commission"), specifically Regulations 103-610 regarding location of records, 103-612.2.3 regarding the filing of operating maps, and 103-631 concerning publishing and distributing local exchange directories; and (v) a waiver of any requirement to maintain financial records in conformance with the Uniform System of Accounts ("USOA");

WHEREAS, on July 9, 2010, counsel for ORS entered a Notice of Appearance in this matter;

WHEREAS on July 14, 2010, the Commission issued a Notice of Filing and Hearing and established a return date of August 16, 2010, for the filing of letters of protest or petitions to intervene and established a hearing date of October 4, 2010 for the application to be heard before a hearing examiner;

WHEREAS, on July 22, 2010, the Commission issued its Order No. 2010-493 by which the Commission appointed Josh Minges, Esquire as the Hearing Examiner in this matter;

WHEREAS, on July 26, 2010, the Company's Motion for Protective Treatment of its financial statements was granted by Hearing Examiner directive;

WHEREAS, on August 16, 2010, the South Carolina Telephone Coalition ("SCTC") filed a Petition to Intervene in this docket;

WHEREAS, on August 20, 2010, the Company pre-filed the direct testimony of Richard J. Slinin with the Commission;

WHEREAS, on August 24, 2010, the SCTC filed with the Commission a Stipulation between the SCTC and Access;

WHEREAS, the purpose of this proceeding is to review the application filed by Access and its requests: (i) for a Certificate of Public Convenience and Necessity to provide resold local exchange and interexchange telecommunications services within the State of South Carolina; (ii) for alternative regulation of its interexchange business services, consumer card services, operator services, and private line services consistent with Orders 95-1734 and 96-55 in Docket No. 95-661-C as modified by Order No. 2001-997 in Docket No. 2000-407-C; (iii) for flexible regulation for its local exchange telecommunications services consistent with Order No. 98-165

in Docket No. 97-467-C; (iv) for waiver of certain of the Commission Regulations, specifically Regulations 103-610 regarding location of records, 103-612.2.3 regarding the filing of operating maps, and 103-631 concerning publishing and distributing local exchange directories; and (v) for waiver of any requirement to maintain financial records in conformance with the USOA;

WHEREAS, since the filing of the notice, ORS has conducted a review of the technical, managerial, and financial expertise of the Company to provide the services requested in the Application;

WHEREAS, ORS has reviewed the Application and the financial data provided by Access, and ORS has calculated certain performance ratios based upon information provided by the Company;

WHEREAS, ORS has investigated the services to be offered by Access and its intended customer service plans;

WHEREAS, ORS has reviewed the proposed tariffs submitted by the Company;

WHEREAS, ORS has reviewed the prefiled testimony of Richard J. Slinin;

WHEREAS, as a result of its investigations, ORS has determined: (a) Access intends to offer resold local and long-distance telecommunications services such as residential and business local exchange services, PBX and DID services, optional calling features, directory assistance services, and operator services; (b) the officers of the Company possess sufficient technical and managerial abilities to adequately provide the services applied for; (c) based upon the information provided and the analysis performed, Access appears to have access to sufficient financial resources necessary to provide the services proposed in its application; (d) the Company's proposed tariffs with the amendments as agreed to in this Settlement Agreement comply with Commission statutes and regulations; (e) the Company agrees that the services to be

provided by Access will meet the service standards required by the Commission; (f) the provision of services by Access will not adversely impact the availability of affordable telecommunications services; (g) to the extent it is required to do so by the Commission, the Company will participate in the support of universally available telephone service at affordable rates; and (h) the provision of interexchange services by Access will not adversely impact the public interest;

WHEREAS, to ensure compliance with the Commission's statutes and regulations, the Parties have agreed to the following comprehensive settlement of all issues in this docket;

WHEREFORE, in the spirit of compromise, the Parties hereby stipulate and agree to the following terms and conditions:

1) The Parties agree that Access's Application and exhibits to the Application are incorporated into this Settlement Agreement and made a part hereof;

2) The Parties agree to stipulate into the record before the Commission this Settlement Agreement. The Parties also agree to stipulate to the pre-filed testimony of the Company's witness Richard Shinin without cross-examination by ORS;

3) Access has submitted financial data, which was provided as Exhibit D to the Company's Application and which was granted Protective Treatment by Commission Hearing Examiner Directive dated July 26, 2010 and which financial data is incorporated by reference;

4) The Parties agree that Access should be granted a Certificate of Public Convenience and Necessity to provide resold local exchange and interexchange telecommunications services within the state of South Carolina;

5) The Company has requested a waiver of 26 S.C. Code Ann. Regs. 103-610 concerning the location of books and records. However, S.C. Code Ann. §58-9-380 (Supp. 2009) provides that:

Each telephone utility shall have an office in one of the counties of this State in which its property or some part thereof is located and shall keep in such office all such books, accounts, papers and records as shall reasonably be required by the Office of Regulatory Staff. No books, accounts, papers or records required by the ORS to be kept within the State shall be removed at any time from the State except upon such conditions as may be prescribed by the Office of Regulatory Staff.

ORS is agreeable to allowing Access to maintain its books and records outside of the State of South Carolina in exchange for Access agreeing to provide access to its books and records. ORS is agreeable to the Company maintaining its books and records at its principal offices in the State of Florida, and Access agrees to notify the ORS of any change in the location of the principal office or in the location where the books and records are maintained. This provision of the Settlement Agreement shall not be construed as a waiver by ORS of S.C. Code Ann. § 58-4-55 (Supp. 2009) or § 58-9-1070 (Supp. 2009). ORS expressly reserves its rights to require the production of books, records and other information located within or outside of the State of South Carolina in order to carry out its duties and compliance with any state or federal regulation;

6) ORS does not oppose the Company's request for waiver of 26 S.C. Code Ann. Regs. 103-631 which requires the publication and distribution of directories, and Access agrees to make arrangements with publishers of local directories in South Carolina to include the names and telephone numbers of Access's subscribers and customers in local directories, unless a subscriber indicates his/her desire for an unpublished telephone number;

7) ORS does not oppose the Company's request for waiver of 26. S.C. Code Ann. Regs. 103-612.2.3 regarding the filing of operating maps. Access has stated it will operate only in AT&T's territory and will mirror AT&T's operating maps.

8) Access has requested a waiver of any rule or regulation that might require a carrier to maintain its financial records in conformance with the USOA. The Company acknowledges that S.C. Code Ann. § 58-9-340 (Supp. 2009) provides that the ORS may, in its discretion and subject to the approval of the Commission, prescribe systems of accounts to be kept by telephone utilities subject to the commission's jurisdiction and that the ORS may prescribe the manner in which the accounts shall be kept and may require every telephone utility to keep its books, papers, and records accurately and faithfully according to the system of accounts as prescribed by the ORS. The Company agrees to keep its books, papers, and records in such a manner that permits ORS to audit its revenues and expenses associated with its South Carolina operations for compliance with programs such as but not limited to the Universal Service Fund ("USF") and the Interim LEC Fund, dual party relay service fund, and gross receipts. Access agrees to complete the reporting forms for such programs as, but not limited to, USF, dual party relay service fund, Interim LEC, and gross receipts as may be required by the ORS of telecommunications companies certificated to operate within South Carolina and as the reporting forms may be amended from time to time;

9) ORS does not oppose Access's requests: (a) for flexible regulation for its local telecommunications service offerings consistent with Order No. 98-165 in Docket No. 97-467-C, such flexible regulation including specifically (i) adoption of a competitive rate structure incorporating maximum rate levels with the flexibility for rate adjustment below the maximum rate levels and (ii) presumptively valid tariff filings upon filing subject to an investigation of

such tariff filing being instituted within thirty (30) days; and (b) for alternative regulation of its interexchange business services, consumer card services, operator services, and private line service offerings consistent with the procedures described and set forth in Orders 95-1734 and 96-55 in Docket No. 95-661-C as modified by Order No. 2001-997 in Docket No. 2000-407-C, specifically (i) removal of the maximum rate tariff requirements for Access's business services, private line, and customer network-type offerings, except in instances governed by Order No. 2001-997 which reinstituted maximum rates for surcharges and rates associated with certain intrastate operator-assisted calls; (ii) presumptively valid tariff filings for these interexchange services unless an investigation of a particular filing is instituted within seven (7) days, in which case the tariff filing will be suspended until resolution of the investigation or until further order of the Commission; and (iii) grant Access the same treatment as all other carriers operating under alternative regulation in connection with any future relaxation of reporting requirements;

10) The Company agrees to resell the services only of those local exchange providers or interexchange carriers authorized to do business in South Carolina by the Commission. Access agrees to notify ORS and the Commission, in writing, of its underlying carriers and if Access changes its underlying carriers;

11) Access agrees that it will allow an end-user to access an alternative interexchange carrier or operator service provider if the end-user expresses such a desire;

12) Access agrees to file necessary financial, and other, information with the Commission and ORS for universal service fund reporting, dual party relay service fund reporting, interim LEC fund reporting, annual reporting, gross receipts reporting, and/or any other reporting which may now or in the future be applicable to telecommunications providers such as Access. The Parties agree that such reports shall be filed pursuant to ORS's instructions

and monies shall be remitted in accordance with the directions of the ORS and Commission requirements.

13) The Company agrees to maintain its books and records associated with its South Carolina operations in a manner that would permit ORS to examine any of the Company's reports filed with the Commission and provided to ORS.

14) Access agrees to file with the Commission and ORS a completed authorized utility representative forms within thirty (30) days of the Commission's order.

15) In the event that Access offers prepaid calling card or long distance services in the future, the Company agrees that it shall post a surety bond in the amount of \$5,000 as required by the Commission;

16) In the event that the Company offers prepaid local exchange service, Access agrees to comply with 26. S.C. Code Regs. 103-607 in that it will obtain a bond, irrevocable letter of credit, or certificate of deposit per the Commission's request or properly demonstrate the Company's entitlement to a waiver of that regulation.

17) In the event that Access offers local and long distance services to end users, Access agrees to comply with the verification regulations governing change of preferred carriers as established by Federal Communications Commission ("FCC"). In addition, in the event that Access offers local and long distance services to end users, the Company agrees to comply with the marketing practices and guidelines established by the Commission in Order No. 95-658;

18) Access agrees to comply with South Carolina Code Section § 58-9-300 entitled "Abandonment of Service." Additionally, to the extent applicable, the Company agrees to adhere to the FCC's rule 47 C.F.R. § 64.1190 and 64.1130 regarding preferred carrier freezes and the requirement that the form of the written authorization for the institution of the freeze be a

separate or easily separable document. Prior to abandonment of service, the Company shall remove any preferred carrier freeze so as to enable consumers to seamlessly transfer their telephone numbers to another provider;

19) To the extent necessary, Access agrees to engage in good faith negotiations with non-BellSouth incumbent local exchange carriers whose networks interconnect with BellSouth at the same local tandem regarding traffic exchange;

20) The Company agrees to comply with Title 23, Chapter 47 of the South Carolina Code Annotated, which governs the establishment and implementation of a "Public Safety Communications Center," also known as 911 services. At the time the Company offers or provides any service that would implicate Title 23, Chapter 47, the Company agrees to contact the appropriate authorities regarding 911 services in the counties and cities where the Company will be operating prior to initiating local service in South Carolina and shall provide the 911 coordinator in each county and/or city with information regarding the Company's operations. Attached as Exhibit 1 to this Settlement Agreement is a memorandum from the State 911 Office which provides contact information for the County 911 Coordinators;

21) The Company agrees to comply with all rules and regulations of the Commission unless the Commission has expressly waived such rule or regulation;

22) Access agrees to file a final revised tariff with both the ORS and the Commission and the revised tariff shall reflect and be in accordance with ORS's recommendations as set forth in the summary attached as Exhibit 2 to this Settlement Agreement. The Company agrees to file and maintain its tariff with the Commission's electronic tariff filing system within thirty days of receipt of the Commission Order granting Access's certificate.

23) ORS is charged by law with the duty to represent the public interest of South Carolina pursuant to S.C. Code § 58-4-10 (B). S.C. Code § 58-4-10(B)(1) through (3) read in part as follows:

... 'public interest' means a balancing of the following:

- (1) concerns of the using and consuming public with respect to public utility services, regardless of the class of customer;
- (2) economic development and job attraction and retention in South Carolina; and
- (3) preservation of the financial integrity of the State's public utilities and continued investment in and maintenance of utility facilities so as to provide reliable and high quality utility services.

ORS believes the Settlement Agreement reached among the Parties serves the public interest as defined above;

24) The Parties agree to advocate that the Commission accept and approve this Settlement Agreement in its entirety as a fair, reasonable and full resolution of all issues in the above-captioned proceeding and that the Commission take no action inconsistent with its adoption. The Parties further agree to cooperate in good faith with one another in recommending to the Commission that this Settlement Agreement be accepted and approved by the Commission. The Parties agree to use reasonable efforts to defend and support any Commission order issued approving this Settlement Agreement and the terms and conditions contained herein.

25) The Parties agree that signing this Settlement Agreement will not constrain, inhibit, impair or prejudice their arguments or positions held in other collateral proceedings, nor will it constitute a precedent or evidence of acceptable practice in future proceedings. If the Commission declines to approve the Settlement Agreement in its entirety, then any Party desiring to do so may withdraw from the Settlement Agreement in its entirety without penalty or obligation.

26) This Settlement Agreement shall be interpreted according to South Carolina law.

27) The above terms and conditions fully represent the agreement of the Parties hereto. Therefore, each Party acknowledges its consent and agreement to this Settlement Agreement by affixing its signature or by authorizing counsel to affix his or her signature to this document where indicated below. Counsel's signature represents his or her representation that his or her client has authorized the execution of the agreement. Facsimile signatures and email signatures shall be as effective as original signatures to bind any party. This document may be signed in counterparts, with the original signature pages combined with the body of the document constituting an original and provable copy of this Settlement Agreement. The Parties agree that in the event any Party should fail to indicate its consent to this Settlement Agreement and the terms contained herein, then this Settlement Agreement shall be null and void and will not be binding on any Party.

WE AGREE:
Representing the Office of Regulatory Staff

Shealy Boland Reibold
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9/30/10
Date

Representing Access Communications, LLC



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SEPTEMBER 30, 2010
Date

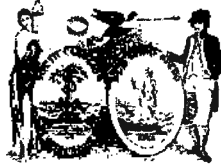
STATE OF SOUTH CAROLINA
State Budget and Control Board
OFFICE OF RESEARCH & STATISTICS

EXHIBIT 1

MARK SANFORD, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

RICHARD ECKSTROM
COMPTROLLER GENERAL



HUGH K. LEATHERMAN, SR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT W. HARRELL, JR.
CHAIRMAN, WAYS AND MEANS COMMITTEE

FRANK W. FUSCO
EXECUTIVE DIRECTOR

REMBERT C. DENNIS BUILDING
1000 ASSEMBLY STREET, SUITE 425
COLUMBIA, SOUTH CAROLINA 29201

Bobby Bowers
DIRECTOR

August 2, 2004

To: Telephone Companies New to South Carolina

In an effort to continue providing quality emergency services to the citizens of South Carolina, the State 911 Office requests that before beginning telephone services in a county, you contact the 911 Coordinator in that county. This will allow both parties to obtain important information about providing 911 services in that county. If you have already begun services, then contact the coordinator as soon as possible.

A list of County 911 Coordinators can be found on the South Carolina E911 homepage at www.ors.state.sc.us/digital/E-911.ASP. If you have any questions related to 911 in South Carolina, you may contact E911 Coordinations at the Office of Research and Statistics at 803-734-3883. The person responsible for this can also be found on the 911 homepage. Please be aware that some cities may have their own E911 systems, these are also listed on the 911 homepage. These city coordinators will need to be contacted in addition to the county coordinators.

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Recommendations for Access Communications Local Exchange Tariff No. 1

Original Page 3—The Company should review and edit the table of contents page. Section 2 begins on page 10 and Section 4 begins on page 44.

Original Page 44 4.2—The Company should include a maximum as well as current rate for the Reconnection/Activation Fee.

Original Page 46 4.6.1—The Company should include maximum as well as current rates for both residential and business non-recurring charges.

Original Page 46 4.6.2—The Company should include maximum as well as current rates for both residential and business charges.

Original Page 46 4.6.3—The Company should include maximum as well as current rates for both residential and business charges.

Original Page 47 4.7—The Company should include maximum as well as current rates for both residential and business charges.

Original Page 48 4.8—The Company should include maximum as well as current rates for both residential and business charges.

Original Page 48 4.9—The Company should include maximum as well as current rates for both residential and business charges.

Original Page 49 4.10.1—The Company should include maximum as well as current rates for each charge.

Original Page 49 4.10.2—The Company should include maximum as well as current rates for each charge.

Original Page 49 4.10.3—The Company should include maximum as well as current rates for each charge.

Original Page 49 4.10.4—The Company should include maximum as well as current rates for each charge.

Recommendations for Access Communications Interexchange Tariff No. 2

Original Page 2—The Company should review and edit the check sheet. There appear to be 33 pages in the tariff.

Original Page 3—The Company should review and edit the table of contents page. Section 3 begins on page 21, Section 4 begins on page 26, and Section 5 begins on page 33.

Original Page 20 2.14—The Company should change “South Dakota Public Utilities Commission” to “South Carolina Public Service Commission”.

Original Page 26 4.1—note that the Company is applying for Modified Alternative Regulation of its Interexchange Services. This form of regulation requires both maximum and current rates for any service that may apply to residential customers. This allows flexibility in the adjustment of rates.

Original Page 26 4.1.2—The Company should include both maximum and current rates for each charge that may apply to residential customers.

Original Page 26 4.1.3—The Company should include both maximum and current rates for each charge that may apply to residential customers.

Original Page 26 4.1.3—The Company should modify the “Toll Free Minimum Usage Charge” to “4.1.4”. The Company should also include both maximum and current rates for each charge that may apply to residential customers.

Original Page 27 4.2.1—The Company should include maximum and current rates for each charge that may apply to residential customers.

Original Page 27 4.2.2—The Company should include maximum and current rates for each charge that may apply to residential customers.

Original Page 27 4.2.3—The Company should include maximum and current rates for each charge that may apply to residential customers.

Original Page 27 4.2.4—The Company should include maximum and current rates for each charge that may apply to residential customers.

Original Page 28 4.2.5—The Company should include maximum and current rates for each charge that may apply to residential customers.

Original Page 28 4.2.6—The Company should include maximum and current rates for each charge that may apply to residential customers.

Original Page 30 4.3—The Company should include maximum and current rates for both the MRC and NRC if they may apply to residential customers.

Original Page 31 4.4—The Company should include maximum and current rates for each charge that may apply to residential customers.

Original Page 32 4.8—The Company should include maximum and current rates for each charge that may apply to residential customers.

Additional Recommendations

- 1) If the Company charges any installation, connection, maintenance, or termination charges, etc., these additional charges and descriptions of the charges should be listed in the tariff with their current and maximum rates.**
- 2) The Company should also provide tariffs and tariff revisions to the South Carolina Public Service Commission as well as the South Carolina Office of Regulatory Staff (26 S.C. Code Regs. 103-629).**
- 3) If the Company's Services involve Prepaid Calling Cards, the Company will be required to post a \$5, 000 Surety Bond with the Public Service Commission.**
- 4) The Company is applying for Modified Alternate Regulation by the PSC for its Interexchange Services. As a general rule, the Company should include maximum rates and current rates for any service that may impact residential Customers. Any service that impacts Business Long Distance, Consumer Cards, and Operator Services (Including Directory Assistance) are exempt from maximum rates. Only current rates would need to be filed for these services.**
- 5) The Company may be required to file a bond in order for the Company to comply with new 26 S.C. Code Regs. 103-607.**
- 6) The Company is applying for Flexible Regulation. Therefore, The Company will include maximum rates as well as current rates for all services within the Local Exchange Tariff.**

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2010-236-C

IN RE: Application of Access Communications, LLC for
a Certificate of Public Convenience and Necessity)
to Provide Resold Interexchange and Resold) **CERTIFICATE OF**
Local Exchange Telecommunications Services) **SERVICE**
within the State of South Carolina and for Flexible)
and Alternative Regulations

This is to certify that I, Pamela J. McMullan, have this date served one (1) copy of the **SETTLEMENT AGREEMENT** in the above-referenced matter to the person(s) named below by causing said copy to be deposited in the United States Postal Service, first class postage prepaid and affixed thereto, and addressed as shown below:

Scott Elliott, Esquire
Elliott & Elliott, P.A.
1508 Lady Street
Columbia, SC, 29201

M. John Bowen, Jr., Esquire
Margaret M. Fox, Esquire
Sue-Ann Gerald Shannon, Esquire
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Post Office Box 11390
Columbia, SC, 29211



Pamela J. McMullan

September 30, 2010
Columbia, South Carolina